

**Government Matters More Than Ever:  
You Matter More Than Ever!  
Keynote Speech for the  
Oklahoma Federal Executive Board's Awards  
Luncheon  
May 3, 2004**

We are here today to recognize public service heroes who work in Oklahoma. We are also here to celebrate public service and to remind ourselves of what a lofty calling it is.

I've titled this talk "Government Matters More Than Ever." The subtitle is "**You** Matter More Than Ever!"

I want to do my part today to recognize our awardees and to celebrate public service by talking about four things.

I want to set the stage with brief comments about:

- Our Rapidly Changing World and
- Why Government Matters More Than Ever

I want to spend most of my time arguing that

- Government Should **not** Try to be like Business, and telling you
- How Special You are because you are in public service

**Our Rapidly Changing World**

In the last two decades our world has changed dramatically. Globalization has become the dominant world system and has created winners and losers.

The same changes that are producing increased globalization—advances in technology that have affected transportation, communications, financial interactions, travel—are also producing rapidly accelerating **interdependence**. Perhaps as a reaction to increasing globalization and interdependence, we are seeing **accelerating tribalism** throughout the world. Nations, organizations, and individuals are working hard to differentiate themselves from others and are demanding recognition of their own distinct identities. The result is frequently conflict, sometimes war.

During this same period, the balance between government and the private sector shifted. Today, in a world that sees business as far superior to government, it is hard to remember that there was **ever** a time when the private sector was not held in high regard at the expense of government. But it was—after the depression and during and after WWII. At that time capitalism was **completely** discredited. It was seen as both totally ineffective to deliver economic growth and a decent life, and morally bankrupt—“it appealed to greed instead of idealism, it promoted inequality, it had failed the people, and—to many—it had been responsible for the war.” And government was seen as the answer.

I don’t have to tell you that today the **private sector** is seen as the answer to 30 years of what is now labeled “government mismanagement”. “If only government could be like business” is a familiar refrain. The private sector is held up as the ideal while government is bashed.

### **Government Matters More Than Ever**

In spite of the marginalization of government that is occurring today due to the pervasive private sector bias, **government matters more than ever**.

Nations must have stable government in order for the private sector to function and for families and individuals to be able to have a decent life.

Nations that are going to function well in today's world must have quality legal, regulatory, tax, and financial systems and quality economic management. All of these systems are currently largely under the control of governments. Nations must also have transparent, accountable government, free of significant corruption. The higher the quality of these institutions and systems, the better able a nation will be to get the most out of participation in the global economy while protecting itself from the worst excesses of globalization.

In spite of the credibility of the argument that quality government is critical to nations' success in today's world, the prevailing public perspective is that the marketplace is the vital component, and government is at best marginal, at worst it creates problems that the private sector must resolve.

### **Government Should Not Try to Be Like Business**

In a world where stable, high quality government is critical to nations' abilities to function effectively and thrive, it is the **height of stupidity** to push government to be more like business.

Government is not business. Government is much more **complex**, much more **open to scrutiny** from a **more diverse group of stakeholders**. Government is also responsible for a **wider range of goals** reflecting a wider range of values, and much, much more.

I am not saying that government has nothing to learn from business. I think there is a lot that the two sectors can learn from each other. I am arguing that the two sectors live in **different worlds** and expecting either to operate the same way in such different environments is at best foolish.

Let me be more specific.

**First**, government agencies are pushed by citizens and politicians to be both highly efficient and politically responsive. This has always been a central issue for government and this **double-bind demand** has gotten much worse in recent years. Private firms don't have the same pressure.

**Second** public agencies can't be like private companies because **the very people who make this demand—the politicians—keep it from happening**. As we all know, what public agencies do bears directly on the careers of politicians. Therefore, it would be irrational for them to make agencies independent of political controls. The result is that the business processes of public agencies are constrained by a mountain of institutional regulations aimed not only at preventing waste, fraud, and abuse, but also at ensuring that political actors have the right to examine and have a say in all aspects of agency business. I don't have to tell you how that affects your getting your jobs done. Imagine how well private corporations would operate if they were subjected to similar controls.

A **third** reason that agencies cannot be more like corporations is because they do not have access to the kind of capital that corporations have. All of the agencies that I know anything about are **undercapitalized**. The cumbersome, abstract public budgeting process will never be able to match the flexibility and sensitivity of business in channeling capital to those places where it will result in the greatest increment in satisfaction. And, of course, the budget controls are just other forms of political control. Again, imagine how well a private corporation would perform if it were subjected to the kind of transparency and accountability required of public agencies.

**Fourth**, the mission of corporations is to produce concrete satisfaction by providing goods and services that either generate pleasure or relieve pain. Given the power of advertising, firms are able to get by with providing only the illusion of effectiveness. Public agencies, on the other hand, are given **impossible, abstract missions** defined by what can only be called simplistic policies. In some cases, an agency's mission includes competing goals. Private firms with similar missions wouldn't survive.

**Fifth**, the **problems** that government agencies are asked to resolve are **infinitely more complex and interrelated in their causes and effects** than the problems most private companies face, e.g., poverty, drug abuse. If it were simple, the private sector would be doing it.

**Finally**, public agencies are normally **led by politicians rather than administrators**. These leaders perform their roles with their own careers in mind. They are usually short-timers, impatient to get results that will make them look good, thereby disrupting the normal processes by which work gets done in agencies. In recent years, private firms look more like government, with shorter and shorter tenures for CEOs, and with many business failures as a result.

Imagine private corporations being subjected to direct political controls, politically inspired institutional regulations, naïve policies, undercapitalization, and work disruptions instigated by leaders who are building their careers, and ask yourself how efficient and effective they would be.

Given all of these factors spinning around in the environments of public agencies, there is little room for efficiency.

The strange thing is that everyone knows this. Furthermore, it is generally considered that this is right and proper. We think that, at some level, a legitimate aspect of our governmental formula is that public agencies should operate with their hands tied and that people should have the right to complain about the result.

This sounds quite perverse and schizophrenic, but it certainly rings true based on my experience in government. And it's consistent with the history of this country. The bias toward limited government was present at the founding. It has waxed and waned, but never gone away. Thus it makes a strange sort of sense that Americans would want to hobble their government and reserve the right to bash it when they don't get what they want from it.

### **How Special You Are**

**If government matters more than ever, then each of you matters more than ever.**

Every time I attend a public service awards ceremony I am awed by the commitment and creativity of the awardees as well as by how much you accomplish in spite of having the deck so firmly stacked against you.

**You are amazing! Each and every one of you is a national treasure!**

Every day you deal with **extremely complex programs and systems**. You **manage huge networks** of people and organizations and agencies from all levels of government and all sectors to get the job done. As I said before, if what you do were simple, the private sector would be doing it.

You are special because **you remain committed to public service** and to doing your jobs with excellence in spite of being misunderstood, mistreated and otherwise maligned by the media, politicians, and the citizenry. That takes a lot of strength of character and clarity of purpose.

You are also special because **you have acquired skills** on the job to cope with an increasingly complex world, and are managing networks of networks in order to get your job done. Who says ‘bureaucrats’ resist change? You’re too busy trying to manage change to resist it!

You are special because, in the face of shrinking budgets, and drastically reduced resources, you find ways to get things done. You **pull rabbits out of hats** regularly in your determination to serve citizens.

**And you rarely get even a thank you. That’s why events like today are so important.**

When I think about comparing the public and private sectors, I’m reminded of that old saw about **Ginger Rogers and Fred Astaire**—you know, the one that lauds Ginger for doing everything Fred did but she did it backwards and in high heels.

I think the **analog** when comparing the public and private sectors is that public managers do all of the things that private sector managers do—and much more—but in fishbowls with at least one hand tied behind your backs

**You are special and your work is special.** Your job is to “deliver democracy” on a daily basis. It is because of you that citizens have access to the very basic values of our nation—justice, equity, fairness, liberty. That’s a hefty responsibility. But you take it on every day and make it happen.

I heard a speaker at an awards ceremony last week talk about how the private sector only has profit and higher salaries to motivate their workers. The public sector has “**truth, justice and the American way.**” A much more inspiring portfolio!

The scholar John Kirlin says that **public service “is a central part of the grandest of human endeavors—shaping a better future for ourselves and those yet unborn.”** He goes on to argue that the results of public service have **worldwide impact**: “The institutions crafted to achieve human aspirations require administration . . . . the measure of success is . . . their enduring value not only to those in a particular nation, state, or city but worldwide to all who aspire for improved lives.”

This is the **challenge** you have each accepted and you are doing a splendid job of addressing it. Please remember **how special you are** and how much more difficult your jobs are than those of most of the rest of society. And please hold your heads up and remember that you are the reason citizens in this nation can aspire to a better future for themselves and their children.



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